

CHAPTER 3
EXAMINATIONS—CERTIFIED LICENSED
AND ASSOCIATE REAL PROPERTY APPRAISERS

193F—3.1(543D) Examinations. Examinations for a state licensed real property appraiser, certified residential real property appraiser, certified general real property appraiser and associate real estate appraiser shall be administered by the board or its authorized representative, as often as the board deems necessary, but not less than one time per year.

3.1(1) The board shall enter into a contractual relationship with a qualified testing service to develop and administer the examinations provided the board maintains control over the examination process.

3.1(2) An applicant will not become eligible to apply for certification or licensure until the applicant has passed the examination approved by the board and complied with the appropriate experience requirement.

3.1(3) Any contract to implement subrule 3.1(1) shall require the testing service to:

- a. Update the examination on a continual basis;
- b. Ensure the examinations are related to appraiser classifications;
- c. Adequately inform applicants of the procedures and requirements for taking the examinations;
- d. Prepare and administer the examinations.

193F—3.2(543D) Examination application requirements for a state licensed real property appraiser.

3.2(1) In order to qualify to sit for the state licensed real property appraiser examination, the applicant must satisfy the following educational requirements:

a. Completion of 75 classroom hours of courses in subjects related to and including 15 hours of tested USPAP and all topics listed below with particular emphasis on the appraisal of one- to four-unit residential properties:

- (1) Influences on real estate value;
- (2) Legal considerations in appraisal;
- (3) Types of value;
- (4) Economic principles;
- (5) Real estate markets and analysis;
- (6) Valuation process;
- (7) Property description;
- (8) Highest and best use analysis;
- (9) Appraisal statistical concepts;
- (10) Sales comparison approach;
- (11) Site value;
- (12) Cost approach;
- (13) Income approach:
 1. Gross rent multiplier analysis;
 2. Estimation of income and expenses;
 3. Operating expense ratios;
- (14) Valuation of partial interests;
- (15) Appraisal standards and ethics.

b. Credit toward the classroom hour requirements may be granted only when the length of the educational offering is at least 15 hours and the individual successfully completes an examination pertinent to that offering. Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses. A teacher requesting credit for the classroom hour requirement may not request credit for experience. A teacher may request credit for either the classroom hour or experience requirement, but not both.

c. Credit for the classroom hour requirement may be obtained from the following:

- (1) Colleges or universities;
- (2) Community or junior colleges;
- (3) Real estate appraisal or real estate related organizations;
- (4) State or federal agencies or commissions;
- (5) Proprietary schools;
- (6) Other providers approved by the board.

d. A classroom hour is defined as 50 minutes out of each 60-minute segment. For coursework completed at a college, university, community or junior college, each semester hour shall equal 15 classroom hours, and each quarter hour shall equal 10 classroom hours of credit.

e. There is no time limit regarding when qualifying educational credit must have been obtained; however, if the coursework is over five years old from the date of application, the applicant shall provide a brief description of the course as well as documentation of completion.

f. Credit may be granted for courses the applicant challenged, through examination, without attending the course, provided such challenges were completed prior to July 1, 1990.

g. Attach copies of the documentation as to completion of all courses claimed to qualify for the examination.

3.2(2) The board may verify educational credits claimed. Undocumented credits will be sufficient to invalidate the examination results pursuant to 3.5(2) "c."

3.2(3) Responsibility for documenting the educational credit claimed rests with the applicant.

3.2(4) No state-licensed real property appraiser license will be issued after July 1, 1996.

3.2(5) By July 1, 1999, all state-licensed real property appraisers' licenses must be converted to a certified real property residential or general certificate. Applicants for conversion must comply with the appropriate requirements for certification and also must pass the appropriate examination. Failure to comply will result in the state real property license being lapsed.

193F—3.3(543D) Examination application requirements for the certified general real property appraiser.

3.3(1) In order to qualify to sit for the certified general real property appraiser examination, the applicant must satisfy the following educational requirements:

a. Completion of 180 classroom hours of courses in subjects related to and including 15 hours of tested USPAP and all topics listed below with particular emphasis on the appraisal of nonresidential properties:

- (1) Influences on real estate value;
- (2) Legal considerations in appraisal;
- (3) Types of value;
- (4) Economic principles;
- (5) Real estate markets and analysis;
- (6) Valuation process;
- (7) Property description;
- (8) Highest and best use analysis;
- (9) Appraisal math and statistics;

- (10) Sales comparison approach;
- (11) Site value;
- (12) Cost approach;
- (13) Income approach:
 - 1. Estimation of income and expenses;
 - 2. Operating statement ratios;
 - 3. Cash flow estimates;
 - 4. Measures of cash flow;
 - 5. Discounted cash flow analysis;
- (14) Valuation of partial interests;
- (15) Appraisal standards and ethics;
- (16) Narrative report writing.

b. Credit toward the classroom hour requirements may only be granted when the length of the educational offering is at least 15 hours and the individual successfully completes an examination pertinent to that offering. Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses. A teacher requesting credit for the classroom hour requirement may not request credit for experience. A teacher may request credit for either the classroom hour or experience requirement, but not both.

c. Credit for the classroom hour requirement may be obtained from the following:

- (1) Colleges or universities;
- (2) Community or junior colleges;
- (3) Real estate appraisal or real estate related organizations;
- (4) State or federal agencies or commissions;
- (5) Proprietary schools;
- (6) Other providers approved by the board.

d. A classroom hour is defined as 50 minutes out of each 60-minute segment. For coursework completed at a college, university, community or junior college, each semester hour shall equal 15 classroom hours, and each quarter hour shall equal 10 classroom hours of credit.

e. There is no time limit regarding when qualifying educational credit must have been obtained; however, if the coursework is over five years old from the date of application, the applicant shall provide a brief description of the course as well as documentation of completion.

f. Credit may be granted for courses the applicant challenged, through examination, without attending the course, provided such challenges were completed prior to July 1, 1990.

g. Attach copies of the documentation as to completion of all courses claimed to qualify for the examination.

3.3(2) The board may verify, on a test basis, educational credits claimed. Undocumented credits will be sufficient to invalidate any grade otherwise earned pursuant to 3.5(2)“c.”

3.3(3) Responsibility for documenting the educational credit claimed rests with the applicant.

193F—3.4(543D) Examination application requirements for the certified residential real property appraiser.

3.4(1) In order to qualify to sit for the certified residential real property appraiser examination, the applicant must satisfy the following educational requirements:

a. Completion of 120 classroom hours of courses in subjects related to and including 15 hours of tested USPAP and all topics listed below, with particular emphasis on the appraisal of one- to four-unit residential properties:

- (1) Influences on real estate value;
- (2) Legal consideration in appraisal;
- (3) Types of value;
- (4) Economic principles;
- (5) Real estate markets and analysis;
- (6) Valuation process;
- (7) Property description;
- (8) Highest and best use analysis;
- (9) Appraisal math and statistics;
- (10) Sales comparison approach;
- (11) Site value;
- (12) Cost approach;
- (13) Income approach:
 1. Gross rent multiplier analysis;
 2. Estimation of income and expenses;
 3. Operating expense ratios;
 4. Direct capitalization;
- (14) Valuation of partial interests;
- (15) Appraisal standards and ethics;
- (16) Narrative report writing.

b. Credit toward the classroom hour requirements may be granted only when the length of the educational offering is at least 15 hours and the individual successfully completes an examination pertinent to that offering. Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses. A teacher requesting credit for the classroom hour requirement may not request credit for experience. A teacher may request credit for either the classroom hour or experience requirement, but not both.

c. Credit for the classroom hour requirement may be obtained from the following:

- (1) Colleges or universities;
- (2) Community or junior colleges;
- (3) Real estate appraisal or real estate related organizations;
- (4) State or federal agencies or commissions;
- (5) Proprietary schools;
- (6) Other providers approved by the board.

d. A classroom hour is defined as 50 minutes out of each 60-minute segment. For coursework completed at a college, university, community or junior college, each semester hour shall equal 15 classroom hours, and each quarter hour shall equal 10 classroom hours of credit.

e. There is no time limit regarding when qualifying educational credit must have been obtained; however, if the coursework is over five years old from the date of the application, the applicant shall provide a brief description of the course as well as documentation of completion.

f. Credit may be granted for courses the applicant challenged, through examination, without attending the course, provided such challenges were completed prior to July 1, 1990.

g. Attach copies of the documentation as to completion of all courses claimed to qualify for the examination.

3.4(2) The board may verify, on a test basis, educational credits claimed. Undocumented credits will be sufficient to invalidate any grade otherwise earned pursuant to 3.5(2)“c.”

3.4(3) Responsibility for documenting the educational credit claimed rests with the applicant.

193F—3.5(543D) Conduct of the examination.

3.5(1) Any individual who subverts or attempts to subvert the examination process may, at the discretion of the board, have the individual's examination scores declared invalid for the purpose of licensure in Iowa, be barred from appraisal licensing and certification examinations in Iowa, or be subject to the imposition of other sanctions the board deems appropriate.

3.5(2) Conduct which subverts or attempts to subvert the examination process includes, but is not limited to:

a. Conduct which violates the security of the examination materials, such as removing from the examination room any of the examination materials; reproducing or reconstructing any portion of the licensing examination; aiding by any means in the reproduction or reconstruction of any portion of the licensing examination; selling, distributing, buying, receiving, or having unauthorized possession of any portion of a future, current, or previously administered licensing examination.

b. Conduct which violates the standard of test administration, such as communicating with any other examination candidate during the administration of the licensing examination; copying answers from another candidate or permitting one's answers to be copied by another candidate during the administration of the licensing examination; reference to any books, notes, written or printed materials or data of any kind, other than the examination materials distributed.

c. Conduct which violates the examination process, such as falsifying or misrepresenting educational credentials or other information required for admission to the licensing examination; impersonating an examination candidate or having an impersonator take the licensing examination on one's behalf.

3.5(3) Any examination candidate who wishes to appeal a decision of the board under this rule may request a contested case hearing. The request for hearing shall be in writing, shall briefly describe the basis for the appeal, and shall be filed in the board's office within 30 days of the date of the board decision being appealed. Any hearing requested under this subrule shall be governed by the rules applicable to disciplinary proceedings, 193F—Chapter 8.

193F—3.6(543D) Associate real estate appraiser.

3.6(1) The classification of associate real estate appraiser shall be used only to refer to individuals who do not meet the experience requirements for certification or licensure.

3.6(2) Applicants for the associate real estate appraiser classification shall meet the educational requirements for one of the following examinations:

- a.* State licensed real property appraiser;
- b.* Certified residential real property appraiser;
- c.* Certified general real property appraiser.

3.6(3) Applicants for the associate real estate appraiser classification shall pay the appropriate examination fee. Applications will be considered incomplete without the correct examination fee.

3.6(4) The associate real estate appraiser shall be subject to direct supervision by a supervising appraiser who shall be licensed or certified in good standing.

3.6(5) The supervising appraiser shall be responsible for the training and direct supervision of the associate by:

- a.* Accepting responsibility for the appraisal report by signing and certifying the report is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP);
- b.* Reviewing the associate real estate appraiser reports; and
- c.* Personally inspecting each appraised property with the associate real estate appraiser until the supervising appraiser determines the associate is competent in accordance with the Uniform Standards of Professional Appraisal Practices for the property type.

3.6(6) The associate real estate appraiser may have more than one supervising appraiser.

3.6(7) An appraisal log shall be maintained by the associate real estate appraiser and shall, at a minimum, include the following for each appraisal:

- a.* Property address;
- b.* Type of property;
- c.* Date of report;
- d.* Type of report;
- e.* Number of hours claimed;
- f.* Signature of supervising appraiser.

3.6(8) Separate appraisal logs shall be maintained for each supervising appraiser.

3.6(9) An associate real estate appraiser shall comply with the continuing education requirements of Chapter 6 of the board's administrative rules.

3.6(10) Upon completion of the appropriate hours of experience an associate real estate appraiser may apply for an upgrade to the appropriate certified or licensed designation by submitting the following:

- a.* A completed application provided by the board;
- b.* A copy of the appraisal log(s);
- c.* The associate real estate appraiser certificate;
- d.* The appropriate fee;
- e.* A written request.

3.6(11) Upon review of the application and documentation the board shall issue the appropriate certificate to the applicant.

These rules are intended to implement Iowa Code chapter 543D.

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